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Producers 88 (4-89) — Paid Up With 640 Acres Pooling Provision STANDARD LEASE v.5

THIS LEASE AGREEMENT is made this



PAID UP OIL AND GAS LEASE

(No Surface Use)

day of JUNE

Thorcia Obnoson herein dealing in her sole and seperate property

9+h

wh	ose addresss	is 2500 State	Highway 12	1 apt 1425 E	WESS, TEXCLE	16039	as Lessor,
and	d, DALE PROI	PERTY SERVICES, L	.L.C., 2100 Ross Aven	ue. Suite 1870 Dallas	Texas 75201, as Lesse	 e. All printed portions of this le 	ease were prepared by the party
	1. In cons	ed as Lessee, out all e Ideration of a cash b ereinafter called lease	onus in hand paid and	the covenants herein of	ik spaces/ were prepare contained, Lessor hereb	d jointly by Lessor and Lessee. y grants, leases and lets excl	usively to Lessee the following
.1	18U A	CRES OF LAND	, MORE OR LESS,	BEING LOT(S)	۱۳		вьоск 4
				DE1140 LOT(0)		ADDITION, AN ADD	ITION TO THE CITY OF
ב	1004 11 JUN	Vickery so	THIECIST	TARRANT COUNT	TY TEXAS ACCO	RDING TO THAT CER	TAIN PLAT RECORDED
IN	VOLUME.	310	, PAGE	<u>56</u>	OF THE PLAT REC	ORDS OF TARRANT C	OUNTY, TEXAS.
rev sul cor lan Le:	rersion, prescri bstances produmercial gase of now or here: ssor agrees to	ption or otherwise), fuced in association (s, as well as hydroce, after owned by Lesso execute at Lessee's n	therewith (including geo rbon gases. In addition or which are contiguous equest any additional or	ring for, developing, pro physical/seismic opera to the above-described or adjacent to the above supplemental instrumen	oducing and marketing of tions). The term "gas" leased premises, this ke- described leased prem its for a more complete of	oil and gas, along with all hyd as used herein includes hell ease also covers accretions an lises, and, in consideration of ti	essor may hereafter acquire by recarbon and non hydrocarbon ium, carbon dioxide and other id any small strips or parcels of the aforementloned cash bonus, nd so covered. For the purpose ually more or less.
20	2. This lead	se, which is a "paid-up	o" lease requiring no ren	tals, shall be in force for	a primary term of FO	Ur (4)yes	ars from the date hereof, and for pooled therewith or this lease is
	rerwise maintai	ned in effect pursuant	t to the provisions hereol	ī.			
sep Lea the pro Lea no the mo are be the Lea wh is I	3. Royaltie paratted at Less soor at the well a wellhead mate exailing price) DENHY- FIVI duction, sever see shall have such price the a same or near ore wells on the exaiting of the the well or being sold by illowing cessation the exaiting this lea	s on oil, gas and othe see's separator faciliti Ihead or to Lessor's or ket price then prevail for production of sin F PETCIED+ ance, or other excise the the continuing right and prevailing in the sail eased premises or I draulle fracture stimulate producing in paying the depository design wells are shut-in or properties or lateral the producing in paying the depository design wells are shut-in or properties of such operations see.	er subsiances produced ies, the royalty shall be credit at the oil purchase ling in the same field (o nilar grade and gravity (3.5 %) of the taxes and the costs inco purchase such production the field, then in the near the date on which Less ands pooled therewith a ation, but such well or we quantities for the purpose, then Lessee shall parated below, on or befor oduction there from is nowell or wells on the lease or production. Lessee'	and saved hereunder a TIOF NY-FIVE IVE IVE IVE IVE IVE IVE IVE IVE IVE	Encent (A5) s, provided that Lessee then prevailing in the casing head gas) and Lessee from the sale vering, processing or oth is such a prevailing pric tases hereunder; and (c ducing oil or gas or othe production there from is ase. If for a period of 90 dollar per acre then coo y period and thereafter of provided that if this lead cooled therewith, no shut shut-in royalty shall rer	_%) of such production, to be shall have the continuing right is same field, then in the nearest all other substances covered thereof, less a proportionate terwise marketing such gas or defor production of similar qualities) pursuant to comparable pursuant to comparable pursuant to comparable pursuant to the primary term of being sold by Lessee, such of consecutive days such well of the such that the control of the control	il and other liquid hydrocarbons delivered at Lessee's option to to purchase such production at st field in which there is such a d hereby, the royalty shall be part of ad valorem taxes and other substances, provided that y in the same field (or if there is chase contracts entered into on m or any time thereafter one or a paying quantities or such wells well or wells shall nevertheless r wells are shut-in or production the end of said 90-day period d by operations, or if production e end of the 90-day period next int due, but shall not operate to
pre pu ne on the te	Lessor's depo- aft and such pa- dress known to yment hereuro 5. Except a emises or land assuant to the vertheless rem the leased pre- e end of the pre- erations reason cessation of re- ere is production ere is production (a) develop the ased premises	sitory agent for receiv ayments or tenders to by Lessee shall constitution. At Lessee shall constitution in the service of t	ing payments regardless Lessor or to the deposition ute proper payment. If the essee's request, deliver to agraph 3, above, if Lessor if all production (whether aph 6 or the action of a commences operation of therewith within 90 day of time thereafter, this lest olain or restore production utive days, and if any substantial is from the leased premises to formations then cap dreinage by any well or	s of changes in the owner tory by deposit in the Use he depository should live on Lessee a proper record ee drills a well which is her or not in paying quany governmental author for reworking an existing safter completion of opase is not otherwise bein therefrom, this lease such operations result in reservor lands pooled therewit able of producing in painterners.	ership of said land. All paids in a stamped en be succeeded dable instrument naming incapable of producing i antitles) permanently ceority, then in the event g well or for drilling an a perations on such dry houng maintained in force that remain in force so let the production of oil or sewith. After completion has a reasonably prude wing quantities on the let.	syments or tenders may be man welope addressed to the depose by another institution, or for an a mother institution as deposito in paying quantities (hereinafter eases from any cause, includir this lease is not otherwise or ide or within 90 days after such but Lessee is then engaged in ong as any one or more of such gas or other substances covert of a welf capable of producing mat operator would drill under the lased premises or lands pooled	a or its successors, which shall fe in currency, or by check or by sitory or to the Lessor at the last y reason fail or refuse to accept ry agent to receive payments. called "dry hole") on the leased g a revision of unit boundaries ining maintained in force it shall obtaining or restoring production cessation of all production. If at drilling, reworking or any other in operations are prosecuted with ad hereby, as long thereafter as in paying quantities hereunder, e same or similar circumstances it therewith, or (b) to protect the to drill exploratory wells or any
ad	uitional wells e	xcept as expressly pro	ovided herein.	anni all or any nert of th	e leased premises or in	terest therein with any other la	nds or interests, as to any or all
production	pths or zones, oper to do so it formed by sufficient to control the foregoing, ascribed, "oil we also or more persuipment; and upment; and upment; and temponent there oduction, drilling working operated acreage cowers as e. Pooling it formed here escribed or persuipment are assed premises.	and as to any or all an order to prudently de che pooling for an oil with pooling for an oil with a shall not exceed from to any well space the terms "oil well" are ell" means a well with a barrel, based on 24 the term "horizontal che term	substances covered by avelop or operate the lea well which is not a horizo 640 acres plus a maximong or density pattern the design of density pattern the design of density pattern the design of density pattern the density pattern the density of t	this lease, either before used premises, whether ontal completion shall meaning the meanings prescribed on the meanings prescribed on the meanings prescribed less than 100,000 cubic least than 100,000 cubic least than the horiz well in which the horiz Lessee shall file of renit which includes all or production on which Lease to the total gross a lessee's pooling rights he lither before or after corjurisdiction, or to confort the of such revision, the	e or after the commence or not similar pooling au of exceed 80 acres plus of 10%; provided that a lar permitted by any govered by applicable law or the feet per barrel and "gas in producing conditions in interest of the cord a written declaration any part of the leased creage in the unit, but dereunder, and Lesses simmencement of productive any productive and stating in the unit and stating it proportion of unit productive and stating it proportion of unit productive and stating it proportion of unit productive.	ement of production, whenever inthority exists with respect to sure a maximum acreage tolerance arger unit may be formed for an inmental authority having jurisd he appropriate governmental as well' means a well with an initiating standard lease separato the gross completion interval in gross completion interval in the gross completion interval in the gross completion interval in the gross completion interval in gross completion interval in the gross completion interval in the gross completion interval in the premises shall be treated as a dishall be that proportion of the only to the extent such proportion, in order to conform to the greage determination made by a the effective date of revision.	r Lessee deems it necessary or ich other lands or interests. The of 10%, and for a gas well or a oil well or gas well or horizontal iction to do so. For the purpose uthority, or, if no definition is so tal gas-oil ratio of 100,000 cubic facilities or equivalent testing in facilities or equivalent testing in facilities or equivalent testing in ereservoir exceeds the vertical nig the effective date of pooling. If it were production, drilling or e total unit production is sold by the not unit production is sold by the not the obligation to revise any well spacing or density pattern such governmental authority. In To the extent any portion of the syable hereunder shall thereafter
be	adjusted acco	rdinaly. In the absence	ce of production in pavin	a quantities from a unit,	or upon permanent ces:	sation thereof, Lessee may terrute a cross-conveyance of inter	minate the unit by filing of record

7. If Lessor owns less than the full mineral estate in all or any part of the leased premises, the royalties and shut-in royalties payable hereunder for any well on any part of the leased premises or lands pooled therewith shall be reduced to the proportion that Lesson's interest in such part of the leased premises bears to the full mineral estate in such part of the leased premises.

8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days ownership shall have the detect of reducing the Indias of Pelastria after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligators the right of arising with respect to the transferred interest, and failure of the transferree to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

in accordance with the net acreage interest retained hereunder.

10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery, Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises, except water from Lessor's wells or ponds. In exploring, developing, producing or marketing from the leased premises or lands pooled therewith, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessor in the leased premises or lands pooled therewith. When requested by Lessor in the leased premises or lands pooled the partial requested by Lessor in the leased premises or lands pooled the partial requested by Lessor in the leased premises or lands pooled the partial requested by Lessor in the leased premises or lands pooled the partial requested by Lessor in the leased premises or lands pooled the partial requested by Lessor in the leased premises or lands pooled the partial requested by Lessor in the leased premises or lands pooled the partial requested by Lessor in the leased premises or lands pool other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessor in writing, Lessee shall bury its pipelines below ordinary plow depth on cutilivated tands. No well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder, without Lessor's consent, and Lessee shall pay for damage caused by its operations to buildings and other improvements now on the leased premises or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within a reasonable time thereafter.

11. Lessee's obligations under this lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells, and the price of oil, gas, and other substances covered hereby. When drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easerments, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, which is a salistnesse market for production or including and production or easerments, or by inability to obtain necessary permits, equipment, services, or easerments, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, within Lesser's

obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this lease shall not terminate because of such prevention or delay, and at Lessee's option, the period of such prevention or delay shall be added to the term hereof.

control, this lease shall not lerminate because of such prevention or delay, and at Lessee's option, the period of such prevention or delay shall be added to the term hereof.

Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

12. In the event that Lessor, during the primary term of this lease, receives a bona fide offer which Lessor is willing to accept from any party offering to purchase from Lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with the lease becoming effective upon expiration of this lease, Lessor hereby agrees to notify Lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen days after receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein, covered by the offer at the price and according to the terms and conditions specified in the offer.

13. No litigation shall be initiated by Lessor with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy the breach or default, within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so.

14. For the same consideration recited above. Lessor hereby graphs, assigns and conveys unto Lessee. Its successors and assigns, a perpetual subsurface well bore

14. For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual subsurface well bore easement under and through the leased premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalfy or other benefit. Such subsurface well bore easements shall run with the land and survive any termination of this lease.

15. Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes,

mortgages or liens existing, levied or assessed on or against the teased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-n royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.

16. Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other

operations

17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original. DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owners.

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IN WITNESS WHEREOF, this lease is executed to be effective as of the heirs, devisees, executors, administrators, successors and assigns, whethere is the successors are designed as the successors and assigns, whethere is the successors are designed as the successors are designed.	he date first written above, but ther or not this lease has been i	upon execution shall be binding on the signatory and the sign executed by all parties hereinabove named as Lessor.					
LESSOR (WHETHER ONE OR MORE)							
By: Tharag Johnson	Ву:						
STATE OF TEXAS	ACKNOWLEDGMENT						
COUNTY OF TOWN TO THE OTH Day of TUNE, 2008, by: Thorng Tohnson herein dealing in her sole and seperate Property							
KISHA G. PACKER POLK Notary Public, State of Texas My Commission Expires	Nota	y Public, State of TEXAS y's name (printed): y's commission expires:					
STATE OF	day of	, 2008,					



DALE RESOURCES LLC 2100 ROSS AVE STE 1870 LB-9

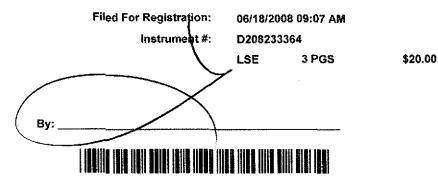
DALLAS

TX 75201

Submitter: DALE RESOURCES LLC

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

<u>DO NOT DESTROY</u> WARNING - THIS IS PART OF THE OFFICIAL RECORD.



D208233364

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

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